



OFFICE OF PERSONNEL MANAGEMENT

January 2023 Pay Schedules

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: The President adjusted the rates of basic pay and locality payments for certain Federal civilian employees effective in January 2023. The Executive order authorizes a 4.1 percent across-the-board increase for statutory pay systems and locality pay increases costing approximately 0.5 percent of basic payroll, reflecting an overall average pay increase of 4.6 percent. This notice serves as documentation for the public record.

FOR FURTHER INFORMATION CONTACT: Rebecca Abels, Pay and Leave, Employee Services, Office of Personnel Management; (202) 606-2858 or pay-leave-policy@opm.gov.

SUPPLEMENTARY INFORMATION: On December 23, 2022, the President signed Executive Order (E.O.) 14090 (87 FR 79985), which implemented pay adjustments for certain Federal civilian employees in January 2023. E.O. 14090 provides an overall average pay increase of 4.6 percent for the statutory pay systems. This is consistent with the President's alternative pay plan issued under 5 U.S.C. 5303(b) and 5304a on August 31, 2022. The pay rates in E.O. 14061 have been superseded.

The publication of this notice satisfies the requirement in Section 5(b) of E.O. 14090 that the Office of Personnel Management (OPM) publish appropriate notice of the 2023 locality payments in the *Federal Register*.

Schedule 1 of E.O. 14090 provides the rates for the 2023 General Schedule (GS) and reflects a 4.1 percent increase from 2022. Executive Order 14090 also includes the percentage amounts of the 2023 locality payments. (See Section 5 and Schedule 9 of Executive Order 14090.)

General Schedule employees receive locality payments under 5 U.S.C. 5304. Locality payments apply in the United States (as defined in 5 U.S.C. 5921(4)) and its territories and possessions. In 2023, locality payments ranging from 16.50 percent to 44.15 percent apply to GS employees in the 54 localities pay areas. The 2023 locality pay area definitions can be found at: <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2023/locality-pay-area-definitions/>.

The 2023 locality pay percentages became effective the first day of the first pay period beginning on or after January 1, 2023 (January 1, 2023). An employee's locality rate of pay is computed by increasing his or her scheduled annual rate of pay (as defined in 5 CFR 531.602) by the applicable locality pay percentage. (See 5 CFR 531.604 and 531.609.)

Executive Order 14090 establishes the new Executive Schedule (EX), which incorporates a 4.1 percent increase required under 5 U.S.C. 5318 (rounded to the nearest \$100). By law, Executive Schedule officials are not authorized to receive locality payments.

Executive Order 14090 establishes the 2023 range of rates of basic pay for members of the Senior Executive Service (SES) under 5 U.S.C. 5382. The minimum rate of basic pay for the SES is \$141,022 in 2023. The maximum rate of the SES rate range is \$212,100 (level II of the Executive Schedule) for SES members who are covered by a certified SES performance appraisal system and \$195,000 (level III of the Executive Schedule) for SES members who are not covered by a certified SES performance appraisal system.

The minimum rate of basic pay for the senior-level (SL) and scientific and professional (ST) rate range was increased by 4.1 percent (\$141,022 in 2023), which is the amount of the across-the-board GS increase. The applicable maximum rate of the SL/ST rate range is \$212,100 (level II of the Executive Schedule) for SL or ST employees who are covered by a certified SL/ST performance appraisal system and \$195,000 (level III of the Executive Schedule) for SL or ST employees who are not covered by a certified SL/ST performance appraisal system. Agencies with certified performance appraisal systems for SES members and employees in SL

and ST positions must also apply a higher aggregate limitation on pay—up to the Vice President’s salary (\$272,100 in 2023.)

Note that section 747 of division E of the Consolidated Appropriations Act, 2023 (Public Law 117-328, December 29, 2022), contains a provision that continues the freeze on the payable pay rates for the Vice President and certain senior political appointees at the rates of pay and applicable limitations on payable rates of pay in effect on December 31, 2022. The section 747 pay freeze is scheduled to end on the last day of the last pay period that begins in calendar year 2023 (January 13, 2024, for those on the standard biweekly pay period cycle). Future Congressional action will determine whether the pay freeze continues beyond that date. OPM guidance on the continued pay freeze for certain senior political officials can be found in CPM 2022-25 at <https://www.chcoc.gov/content/continued-pay-freeze-certain-senior-political-officials-7>.

Executive Order 14090 provides that the rates of basic pay for administrative law judges (ALJs) under 5 U.S.C. 5372 are increased by 4.1 percent (rounded to the nearest \$100) in 2023. The rate of basic pay for AL-1 is \$183,500 (equivalent to the rate for level IV of the Executive Schedule). The rate of basic pay for AL-2 is \$178,900. The rates of basic pay for AL-3/A through 3/F range from \$122,400 to \$169,600.

The rates of basic pay for members of Contract Appeals Boards are calculated as a percentage of the rate for level IV of the Executive Schedule. (See 5 U.S.C. 5372a.) Therefore, these rates of basic pay are increased by 4.1 percent in 2023.

On November 30, 2022, OPM issued a memorandum on behalf of the President’s Pay Agent (the Secretary of Labor and the Directors of the Office of Management and Budget and OPM) that continues GS locality payments for ALJs and certain other non-GS employee categories in 2023. By law, EX officials, SES members, employees in SL/ST positions, and employees in certain other equivalent pay systems are not authorized to receive locality payments. (Note: An exception applies to certain grandfathered SES, SL, and ST employees

stationed in a nonforeign area on January 2, 2010. See CPM 2009-27 at <https://www.chcoc.gov/content/nonforeign-area-retirement-equity-assurance-act>.) The memo is available at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2022/extension-of-locality-pay-memo-for-non-gs-employees-2023.pdf>.

On December 23, 2022, OPM issued a memorandum (CPM 2022-22) on the 2023 pay adjustments. (See <https://www.chcoc.gov/content/january-2023-pay-adjustments>.) The memorandum transmitted Executive Order 14090 and provided the 2023 salary tables, locality pay areas and percentages, and information on general pay administration matters and other related guidance. The “2023 Salary Tables” posted on OPM’s website at <http://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/> are the official rates of pay for affected employees and are hereby incorporated as part of this notice.

U.S. Office of Personnel Management.

Stephen Hickman,
Federal Register Liaison.

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